

111TH CONGRESS
1ST SESSION

S. 751

To establish a revenue source for fair elections financing of Senate campaigns by providing an excise tax on amounts paid pursuant to contracts with the United States Government.

IN THE SENATE OF THE UNITED STATES

MARCH 31, 2009

Mr. DURBIN (for himself and Mr. SPECTER) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To establish a revenue source for fair elections financing of Senate campaigns by providing an excise tax on amounts paid pursuant to contracts with the United States Government.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Fair Elections Revenue
5 Act of 2009”.

1 **SEC. 2. FAIR ELECTIONS FUND REVENUE.**

2 (a) IN GENERAL.—The Internal Revenue Code of
3 1986 is amended by inserting after chapter 36 the fol-
4 lowing new chapter:

5 **“CHAPTER 37—TAX ON PAYMENTS PURSU-**
6 **ANT TO CERTAIN GOVERNMENT CON-**
7 **TRACTS**

“Sec. 4501. Imposition of tax.

8 **“SEC. 4501. IMPOSITION OF TAX.**

9 “(a) TAX IMPOSED.—There is hereby imposed on any
10 payment made to a qualified person pursuant to a quali-
11 fied contract with the Government of the United States
12 a tax equal to 0.50 percent of the amount paid.

13 “(b) LIMITATION.—The aggregate amount of tax im-
14 posed under subsection (a) for any calendar year shall not
15 exceed \$500,000.

16 “(c) QUALIFIED PERSON.—For purposes of this sec-
17 tion, the term ‘qualified person’ means any person
18 which—

19 “(1) is not a State or local government or a for-
20 eign nation, and

21 “(2) has contracts with the Government of the
22 United States with a value in excess of \$10,000,000.

23 “(d) PAYMENT OF TAX.—The tax imposed by this
24 section shall be paid by the person receiving such payment.

1 “(e) USE OF REVENUE GENERATED BY TAX.—It is
 2 the sense of the Senate that amounts equivalent to the
 3 revenue generated by the tax imposed under this chapter
 4 should be appropriated for the financing of a Fair Elec-
 5 tions Fund and used for the public financing of Senate
 6 elections.”.

7 (b) CONFORMING AMENDMENT.—The table of chap-
 8 ter of the Internal Revenue Code of 1986 is amended by
 9 inserting after the item relating to chapter 36 the fol-
 10 lowing:

“CHAPTER 37—TAX ON PAYMENTS PURSUANT TO CERTAIN GOVERNMENT
 CONTRACTS”.

11 (c) EFFECTIVE DATE.—The amendments made by
 12 this section shall apply to contracts entered into after the
 13 date of the enactment of this Act.

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